

January 14, 2003

Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

JOINT RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, THE CITY COUNCIL OF THE CITY OF BELL, THE CITY COUNCIL OF THE CITY OF CUDAHY, THE BOARD OF DIRECTORS OF COUNTY SANITATION DISTRICT NO. 1 OF LOS ANGELES COUNTY, AND THE BOARD OF DIRECTORS OF COUNTY SANITATION DISTRICT NO. 2 OF LOS ANGELES COUNTY APPROVING AND ACCEPTING THE NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUE RESULTING FROM REORGANIZATION OF TERRITORY

(RANCHO SAN ANTONIO REORGANIZATION NO. 2002-01)
(Detachment from the City of Bell and Annexation to the City of Cudahy)
(SUPERVISORIAL DISTRICT 1) (3 VOTES)

IT IS RECOMMENDED THAT YOUR BOARD:

Approve the attached Joint Resolution between your Board, the City Council of the City of Bell, the City Council of the City of Cudahy, the Board of Directors of County Sanitation District No. 1, and the Board of Directors of County Sanitation District No. 2, based on the negotiated exchange of property tax revenue, as a result of the proposed reorganization of territory (Rancho San Antonio Reorganization No. 2002-01) between the City of Bell and the City of Cudahy.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The respective City Councils of the Cities of Bell and Cudahy and the respective Board of Directors of County Sanitation Districts No.1 and No. 2 have adopted the attached Joint Resolution based on the negotiated exchange of property tax revenue resulting

The Honorable Board of Supervisors
January 14, 2003
Page 2

from the proposed reorganization of territory between the Cities of Bell and Cudahy. The reorganization will result in the area being detached from the City of Bell and annexed to the City of Cudahy.

In order for the Local Agency Formation Commission (LAFCO) for Los Angeles County to proceed with the required hearings on the proposed reorganization, your Board, as the governing body of the County, must adopt the attached Joint Resolution.

FISCAL IMPACT/FINANCING

The reorganization necessitates a reallocation of the property tax base revenue and adjustment of the annual property tax increment between the County of Los Angeles, the Cities of Bell and Cudahy, and County Sanitation Districts No. 1 and No. 2.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Pursuant to Part 3, Division 3, Title 5 of the California Government Code, commencing with Section 56000, the City of Bell adopted a resolution and filed an application with LAFCO to initiate proceedings for reorganization of territory between the City of Bell and the City of Cudahy. The City of Cudahy adopted a similar resolution agreeing to the reorganization of territory.

The proposed reorganization consists of approximately 77 acres of vacant parcels, currently located in the jurisdiction of the City of Bell. The proposed area is located west of the Long Beach (710) Freeway, east of the boundary of the City of Cudahy, south of Florence Avenue, and north of the boundary of the City of South Gate. The application states that the reason for the reorganization is to increase service delivery and capital improvement efficiencies that would benefit the residents and the administration of the involved cities.

Section 99 of the Revenue and Taxation Code (R&T Code) requires that prior to the effective date of any jurisdictional change, the governing bodies of all agencies whose service area or service responsibilities will be altered by such change must negotiate a reallocation of property tax revenue between the affected agencies, and approve and

The Honorable Board of Supervisors
January 14, 2003
Page 3

accept such reallocation by resolution. The respective City Councils of the Cities of Bell and Cudahy and the Board of Directors of County Sanitation Districts No. 1 and No. 2 respectively, have adopted the negotiated Joint Resolution, as required by Section 99 of the R&T Code.

Adoption of the Resolution by your Board will allow LAFCO to schedule the required public hearings to consider testimony on the proposed reorganization. LAFCO will subsequently take action to approve, approve with changes, or disapprove the proposal for the reorganization.

The Joint Resolution has been approved as to form by County Counsel.

CONCLUSION

At such time as the recommendation is approved by your Board, please return one copy of the letter and five signed originals of the Resolution to LAFCO, one approved copy of this letter and one signed original of the Resolution to the Chief Administrative Office, Office of Unincorporated Area Services and Special Projects, one copy of the approved letter and a copy of the Resolution to the Auditor-Controller, Tax Division.

Respectfully submitted,

DAVID E. JANSSEN
Chief Administrative Officer

DEJ:LS
DD:AB:os

Attachment

c: County Counsel
Auditor-Controller

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, THE CITY COUNCIL OF THE CITY OF BELL, THE CITY COUNCIL OF THE CITY OF CUDAHY, THE BOARD OF DIRECTORS OF COUNTY SANITATION DISTRICT NO. 1 OF LOS ANGELES COUNTY (COUNTY SANITATION DISTRICT NO. 1), AND THE BOARD OF DIRECTORS OF COUNTY SANITATION DISTRICT NO. 2 OF LOS ANGELES COUNTY (COUNTY SANITATION DISTRICT NO. 2) APPROVING AND ACCEPTING THE NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUE RESULTING FROM REORGANIZATION OF TERRITORY

(RANCHO SAN ANTONIO REORGANIZATION NO. 2002-01)

(Detachment from the City of Bell and Annexation to the City of Cudahy)

WHEREAS, pursuant to Section 99 of the Revenue and Taxation Code, for specified jurisdictional changes, the governing bodies of the affected agencies shall negotiate and determine the amount of property tax revenue to be exchanged between the affected agencies; and

WHEREAS, the Board of Supervisors of the County of Los Angeles as the governing body of the County of Los Angeles; the City Council of the City of Bell as the governing body of the City of Bell; the City Council of the City of Cudahy as the governing body of the City of Cudahy; the Board of Directors of County Sanitation District No. 1 of Los Angeles County as the governing body of County Sanitation District No. 1; and the Board of Directors of County Sanitation District No. 2 of Los Angeles County as the governing body of County Sanitation District No. 2 have determined that the amount of property tax revenue to be exchanged between their respective agencies as a result of the reorganization of territory entitled "Rancho San Antonio Reorganization No. 2002-01" which includes detachment of said territory from the City of Bell, and annexation to the City of Cudahy, is as set forth below:

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The negotiated exchange of property tax revenue between the County of Los Angeles, the City of Bell, the City of Cudahy, and County Sanitation Districts No. 1 and No. 2 resulting from the reorganization proposal identified as "Rancho San Antonio Reorganization 2002-01" is approved and accepted.

2. For fiscal years commencing on or after July 1, 2003, or the July 1 after the effective date of this jurisdictional change, whichever is later, one hundred eighty-two dollars (\$182) in property tax revenue shall be transferred from the City of Bell to the City of Cudahy. In addition, for each fiscal year commencing on or after July 1, 2003, or the July 1 after the effective date of this jurisdictional change, whichever is later, the City of Bell's share of the annual tax increment (ATI) attributable to the "Rancho San Antonio Reorganization No. 2002-01" shall be transferred to the County of Los Angeles.

3. For fiscal years commencing on or after July 1, 2003, or the July 1 after the effective date of this jurisdictional change, whichever is later, 7 percent (7%), before Educational Revenue Augmentation Fund (ERAF) adjustments, of the ATI attributable to the "Rancho San Antonio Reorganization No. 2002-01 " area shall be transferred from the County of Los Angeles to the City of Cudahy.

4. For fiscal years commencing on or after July 1, 2003, or the July 1 after the effective date of this jurisdictional change, whichever is later, adjustments to the ATI for County Sanitation District No. 1 and County Sanitation District No. 2 shall take place in TRAs 00924 and 06314 as follows: the ATI attributable to the "Rancho San Antonio Reorganization No. 2002-01" in County Sanitation District No. 2 shall be transferred to County Sanitation District No. 1, reducing the ATI in County Sanitation District No. 2 to zero.

5. For fiscal years commencing on or after July 1, 2003, or the July 1 after the effective date of this jurisdictional change, whichever is later, the Auditor-Controller shall adjust the County of Los Angeles General Fund share of the ATI in the affected areas to account for the full one percent of ad valorem property tax after implementing the adjustments specified in Sections 2 through 4 above.

PASSED, APPROVED AND ADOPTED this day of , 2002
by the following vote:

AYES: ABSENT:

NOES: ABSTAIN:

Mayor, City of Bell

ATTEST:

City Clerk

(SIGNED IN COUNTERPART)

3. For fiscal years commencing on or after July 1, 2003, or the July 1 after the effective date of this jurisdictional change, whichever is later, 7 percent (7%), before Educational Revenue Augmentation Fund (ERAF) adjustments, of the ATI attributable to the "Rancho San Antonio Reorganization No. 2002-01" area shall be transferred from the County of Los Angeles to the City of Cudahy.

4. For fiscal years commencing on or after July 1, 2003, or the July 1 after the effective date of this jurisdictional change, whichever is later, adjustments to the ATI for County Sanitation District No. 1 and County Sanitation District No. 2 shall take place in TRAs 00924 and 06314 as follows: the ATI attributable to the "Rancho San Antonio Reorganization No. 2002-01" in County Sanitation District No. 2 shall be transferred to County Sanitation District No. 1, reducing the ATI in County Sanitation District No. 2 to zero.

5. For fiscal years commencing on or after July 1, 2003, or the July 1 after the effective date of this jurisdictional change, whichever is later, the Auditor-Controller shall adjust the County of Los Angeles General Fund share of the ATI in the affected areas to account for the full one percent of ad valorem property tax after implementing the adjustments specified in Sections 2 through 4 above.

PASSED, APPROVED AND ADOPTED this day of , 2002
by the following vote:

AYES: ABSENT:

NOES: ABSTAIN:

Mayor, City of Cudahy

ATTEST:

City Clerk

(SIGNED IN COUNTERPART)

(SEAL)

(STATE OF CALIFORNIA)
(COUNTY OF LOS ANGELES) SS
(CITY OF CUDAHY)

I, LARRY GALVAN, CITY CLERK OF THE CITY OF CUDAHY, DO HEREBY CERTIFY that the foregoing Resolution No. 02-43 was duly and regularly adopted by the City Council at a regular meeting held on the 5th day of November, 2002, by the following vote:

AYES: Council/Commissionmember Romo, Silva, Vice Mayor/Vice Chair. Conde, Mayor/Chairman Gurule

NOES: None

ABSENT: Council/Commissionmember Miguel


LARRY GALVAN – CITY CLERK

3. For fiscal years commencing on or after July 1, 2003, or the July 1 after the effective date of this jurisdictional change, whichever is later, 7 percent (7%), before Educational Revenue Augmentation Fund (ERAF) adjustments, of the ATI attributable to the "Rancho San Antonio Reorganization No. 2002-01 " area shall be transferred from the County of Los Angeles to the City of Cudahy.

4. For fiscal years commencing on or after July 1, 2003, or the July 1 after the effective date of this jurisdictional change, whichever is later, adjustments to the ATI for County Sanitation District No. 1 and County Sanitation District No. 2 shall take place in TRAs 00924 and 06314 as follows: the ATI attributable to the "Rancho San Antonio Reorganization No. 2002-01" in County Sanitation District No. 2 shall be transferred to County Sanitation District No. 1, reducing the ATI in County Sanitation District No. 2 to zero.

5. For fiscal years commencing on or after July 1, 2003, or the July 1 after the effective date of this jurisdictional change, whichever is later, the Auditor-Controller shall adjust the County of Los Angeles General Fund share of the ATI in the affected areas to account for the full one percent of ad valorem property tax after implementing the adjustments specified in Sections 2 through 4 above.

PASSED, APPROVED AND ADOPTED this day of , 2002:

County Sanitation District No. 1 of Los Angeles County

Chairperson, Board of Directors

ATTEST:

APPROVED AS TO FORM:

Secretary

DISTRICT COUNSEL

(SIGNED IN COUNTERPART)

3. For fiscal years commencing on or after July 1, 2003, or the July 1 after the effective date of this jurisdictional change, whichever is later, 7 percent (7%), before Educational Revenue Augmentation Fund (ERAF) adjustments, of the ATI attributable to the "Rancho San Antonio Reorganization No. 2002-01" area shall be transferred from the County of Los Angeles to the City of Cudahy.

4. For fiscal years commencing on or after July 1, 2003, or the July 1 after the effective date of this jurisdictional change, whichever is later, adjustments to the ATI for County Sanitation District No. 1 and County Sanitation District No. 2 shall take place in TRAs 00924 and 06314 as follows: the ATI attributable to the "Rancho San Antonio Reorganization No. 2002-01" in County Sanitation District No. 2 shall be transferred to County Sanitation District No. 1, reducing the ATI in County Sanitation District No. 2 to zero.

5. For fiscal years commencing on or after July 1, 2003, or the July 1 after the effective date of this jurisdictional change, whichever is later, the Auditor-Controller shall adjust the County of Los Angeles General Fund share of the ATI in the affected areas to account for the full one percent of ad valorem property tax after implementing the adjustments specified in Sections 2 through 4 above.

PASSED, APPROVED AND ADOPTED this day of , 2002:

County Sanitation District No. 2 of Los Angeles County

Chairperson, Board of Directors

ATTEST:

APPROVED AS TO FORM:

Secretary

DISTRICT COUNSEL

(SIGNED IN COUNTERPART)

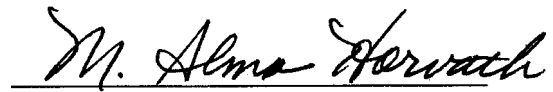
CERTIFICATION

STATE OF CALIFORNIA

SS.

COUNTY OF LOS ANGELES

I, M. ALMA HORVATH, Secretary of the Boards of Directors of the County Sanitation Districts of Los Angeles County, do hereby certify that the attached is a full, true, and correct copy of a resolution adopted by the Boards of Directors of County Sanitation Districts Nos. 1 and 2 of Los Angeles County at meetings held December 11, 2002, and duly entered in the minutes of said Districts.

A handwritten signature in black ink, reading "M. Alma Horvath", written over a horizontal line.

M. ALMA HORVATH
Secretary

3. For fiscal years commencing on or after July 1, 2003, or the July 1 after the effective date of this jurisdictional change, whichever is later, 7 percent (7%), before Educational Revenue Augmentation Fund (ERAF) adjustments, of the ATI attributable to the "Rancho San Antonio Reorganization No. 2002-01" area shall be transferred from the County of Los Angeles to the City of Cudahy.

4. For fiscal years commencing on or after July 1, 2003, or the July 1 after the effective date of this jurisdictional change, whichever is later, adjustments to the ATI for County Sanitation District No. 1 and County Sanitation District No. 2 shall take place in TRAs 00924 and 06314 as follows: the ATI attributable to the "Rancho San Antonio Reorganization No. 2002-01" in County Sanitation District No. 2 shall be transferred to County Sanitation District No. 1, reducing the ATI in County Sanitation District No. 2 to zero.

5. For fiscal years commencing on or after July 1, 2003, or the July 1 after the effective date of this jurisdictional change, whichever is later, the Auditor-Controller shall adjust the County of Los Angeles General Fund share of the ATI in the affected areas to account for the full one percent of ad valorem property tax after implementing the adjustments specified in Sections 2 through 4 above.

The foregoing resolution was on the _____ day of _____, 2002, adopted by the Board of Supervisors of the County of Los Angeles and ex officio the governing body of all other special assessment and taxing districts, agencies and authorities for which said Board so acts.

VIOLET VARONA-LUKENS, Executive Officer
Clerk of the Board of Supervisors
of the County of Los Angeles

By _____ Deputy

APPROVED AS TO FORM
BY COUNTY COUNSEL

LLOYD W. PELLMAN

By. Thomas J. Faughnan

(SIGNED IN COUNTERPART)